GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:257
ANSWERED ON:09.12.2005
DISINVESTMENT OF BALCO
Gadakh Shri Tukaram Gangadhar;Thummar Shri Virjibhai

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has suffered huge losses running into crores of rupees on account of disinvestment process in BALCO ;

(b) if so, whether the Government has conducted any inquiry in this regard ;

(c) if so, the findings thereof ;

(d) whether any action has been taken by the Government in this regard; and

(e) if so, the details thereof ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (P. CHIDAMBARAM)

(a) to (e) A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No.257 for 9.12.2005 asked by Shri V.K. Thummar and Shri Tukaram Ganpatrao Renge Patil regarding Disinvestment of BALCO.

(a) No Sir. BALCO was privatised in March 2001 through strategic sale of 51% equity out of Government`s holding of 100% equity in the Company. The Reserve Price for 51% of Government`s equity in BALCO was fixed at Rs 514.40 crore. The bid of M/s Sterlite Industries (India) Ltd. for Rs.551.50 crore, being the higher of the two financial bids received, was approved by the Government.

(b)to(e) Do not arise.